

THE PUBLIC RELATIONS JOURNAL



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A NEW INTERPRETATION OF MANAGEMENT

By ALEXANDER R. HERON

THE ONLY WAY

By HAROLD BRAYMAN

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PR JOURNAL

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Number 7

JULY, 1949

PR JOB NO. 1—

A New Interpretation of Management

By ALEXANDER R. HERON

Vice President, Crown Zellerbach Corp., San Francisco

ALMOST EVERY PUBLIC RELATIONS man in the country can emphasize the importance of his work, in preserving the American way of life. He can usually do this job better than he can do two other jobs which are really more important, and which should come first.

One of these is the job of explaining just what we mean by the American way of life. The other is the job of marshalling the truly fundamental reasons why we must preserve it. In the May issue of *The Public Relations Journal*, Henry H. Urrows included the following in his unusually fine article:

"What semantic victories will ever be won by chanting the phrase *Free Enterprise* six billion times? Are we making this once-helpful term meaningful by resenting conscientious search into its manifold implica-

tions? . . . Or are we secure in our belief that any word or formula will sound like *mother* if only heard often enough? . . ."

This article attempts to encourage some of the conscious search which I am sure Mr. Urrows has in mind. It seeks to discourage the pleasant repetition of the colorful oratorical phrases such as *Free Enterprise* and the *American way of life*.

Actually the way in which our American economy is run is not fully or accurately described by either of these phrases. Neither can we identify it as the capitalist system, the profit economy, the private enterprise system.

The description which seems to be most accurate, at this stage of our evolution, is the management system.

Until the twentieth century, management and ownership were quite closely identified. Also until that time, we had almost a free enterprise system, in the sense that the average young man could hope to start a business of his own if he so desired. Until that time, profit was

ALEXANDER R. HERON is vice president of Crown Zellerbach Corporation, San Francisco, in charge of Industrial and Public Relations. His articles on industrial relations and collective bargaining have been widely published.

almost identical with income for the owners of any business enterprise. Ownership was the most important factor in our economy. It was not far from truthful to call our system capitalism, free enterprise, profit economy, or the private property economy.

Management

Today it is different. The corporation is the most significant institution in our economy. The owners do not actually own the physical properties, but rather, they own interests in the corporation as such; interests in its property, of course, but also interests in its prospects, its welfare, its good will, research programs, and public relations. The owners do not actually receive the so-called profits of the corporation, but only the fraction of those profits distributed as dividends; a minor fraction in current practise.

More important, the owners do not actively manage most of the enterprises in the American economy. The owners trust that job to a group of people and an institution or system called Management.

The nation at large, including the wage earners, also trusts the operation of the American economy to this system or group of people called Management. And as a condition of this trust, they expect certain results to be accomplished by Management. It is simple logic to realize that if any of these results are fundamentally important, they must be achieved, or Management will be ousted from the powers and responsibilities in which it is now placed.

The first function of any economy is to provide the necessary quantity of goods and services, to supply the needs of the people to whom the economy belongs. In performing this function, there is no sacred moral distinction between public and private ownership, public

and private control. From the beginning of our national history, it was an accepted fact that certain goods and services, especially services, could be better provided by government management than by private management. These included national defense, highways and waterways, postal services. The list has grown to include airways, some hydro-electric power developments, a considerable management of natural resources, basic educational services, the partial control of credit facilities, many insurance services, and so on. But nothing which has been done so far has disturbed the basic trust imposed on private management to produce the goods and services to meet the general needs of the population.

If the management system fails to meet the essential general needs, the trust will be revoked, and the management system will lose its job. Regardless of the causes and the extenuating circumstances, the management system has not met the full needs for housing. Today it seems almost certain that it will be ousted from part of this field, and that government itself will take over the responsibility of providing some of the housing needed by the people of the country. We may not be convinced that government will do it well, but that will not keep government out of the field.

Must Supply Jobs

There are other responsibilities for which the management system is trusted, but we must limit this discussion to the most important. There is only one which ranks with the responsibility for providing goods and services. That is the responsibility for providing jobs. We can call our system Free Enterprise if we get any satisfaction from doing so, but the fact remains that 80% of our people must have jobs, if they are to enjoy the goods and services which represent the

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American standard of living. This 80% of us must be on somebody's payroll, if we are to have our shares in the American Way of Life. Because we are highly urbanized, because our economy is organized essentially into corporate business enterprises, the great majority of us must be employees, whether we work for a dollar an hour or \$100,000 a year.

In a very literal sense, if the management system fails to furnish enough jobs, the trust will be revoked. The management system will no longer be permitted to operate our American economy.

Until very recently spokesmen for the American system have vigorously repudiated the idea that business has any responsibility to furnish jobs. They have overlooked one of the two most important responsibilities which are still entrusted to business, or more accurately entrusted to the management system.

Of course, the management system cannot create jobs by wishing, by passing resolutions, or by issuing instructions to hire 10,000 more workers. No real job was ever created except by selling the product of that job to a customer. Whether such a job is that of a miner or a logger, streetcar conductor or a telephone operator, a truck driver or a grocery clerk, policeman or a minister, there is no such job unless someone has bought the goods or services which are produced on that job.

Start Proving Ability

People in management had better stop repeating poetic phrases about freedom, and the sanctity of private property and the American Way of Life. We had better drop these phrases, and start proving our ability to furnish the goods and services which people need, and create the jobs which people need. This means continuing all of our activities in the way of research, exploration, inven-

tion, engineering, and organization. But more important than all of this combined, it means selling.

If management will honestly accept this responsibility under its trusteeship, and meet the responsibility, our American system will be in no danger. If management will accept this responsibility, it can then have some hope of getting the same understanding into the minds of workers and their union leaders. If these people can understand that they have no prospect for maintaining their present standard of living, unless management can sell the products of their work, a completely new labor-management relationship will be the result.

Common Understanding

As long as we insist on talking about the free enterprise system, the wage earner who depends on the job will keep asking what we mean by free enterprise. If we talk about the profit system, or the capitalist system, he insists on his right to a bigger share of the profits, which he thinks can be delivered to him by the capitalist.

But if we can demonstrate that his job depends on management's ability to sell the product of his work, we may be able to get to a common basis of understanding. He will never give up his demand for adequate wages, and more wages; in other words, for a large and larger share of the proceeds from the sale of his work. But he can be persuaded to do those things which will help management to be a good salesman for him, the worker.

Probably most businessmen will disagree with this concept, or at least with this emphasis. It still has some promise of furnishing an answer to the two questions presented in this discussion.

What is our American system? It is a system in which a group called manage-

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"There can be no questioning the reactions of the American people if they have the facts upon which to base intelligent judgment. Their instincts are right . . ."

THE ONLY WAY

By HAROLD BRAYMAN

Director, Public Relations Department, E. I. duPont de Nemours Co., Inc., Wilmington, Del.

AS ONE LOOKS AHEAD to the future of American business most of the problems do not seem too terrifying. There are no production problems which well-managed companies will not be able to meet and conquer. There are no research problems which those companies that are diligent in building up good research organizations cannot satisfactorily solve with the course of time. There are no competitive problems which good managements will not be able to meet.

Where good managements are involved the daily difficulties of doing business present no insuperable barriers that threaten ruin — except one.

HAROLD BRAYMAN, Director of Public Relations, E. I. duPont de Nemours and Company, entered his present field of work in 1942 after a newspaper career of twenty years, fourteen of them spent as Washington correspondent for leading New York and other American dailies.

Earlier he had spent six years as Albany legislative correspondent for various newspapers in New York City and State, and had served briefly in London as a foreign correspondent.

He was president of the National Press Club in 1938 and president of the Gridiron Club in 1941, one of the very few Washington correspondents to have been elected president of both of these organizations.

Mr. Brayman was appointed Assistant Director of the Public Relations Department of the duPont Company in April, 1942, and two years later became Director.

Mr. Brayman is a native of Middleburgh, New York, and received his A.B. degree from Cornell University in 1920.

That one is the problem of public hostility which demands action by the Government antagonistic to business. And that one can cause ruin, not to one or two, but to all businesses.

Because all are not under direct attack today, there may be in some quarters a tendency to complacency; but with world trends going in the direction in which they have been moving for several years it becomes apparent that if big business is to be throttled today on the pretext that it does not operate in the public interest it will not be long before that tomorrow arrives when small- and medium-sized business will be throttled in the same way and for the same reasons.

And even if the second eventuality should not develop, the destruction of the efficient operation of our big businesses would be enough to wreck our economy. For this there are two reasons. The first is that the balance of our economic system depends upon having large, medium, and small businesses. Knock out any one, and the others must inevitably slope downward. The second is that large companies to a great degree produce the necessities and luxuries of life on a mass basis for the masses of people.

If this attack should succeed, the biggest losers will not be the businesses themselves and their millions of owners, but rather the great mass of individuals, who, in the process of change to a new state-dominated economy, will lose their

precious American freedom — and also their American standard of living.

Such is the tendency of the rest of the world. If we do not want it to happen to us heroic measures must be taken — and without delay — to create in a majority of the population an understanding that their own real interest is deeply involved.

Inadequacy of Public Relations Leadership

It is not my purpose to join the chorus of those who criticise business management for not doing more. American business management has its sour spots like any other group, but on the whole it is forward-looking, progressive, and even daring in its willingness to take risks. Where enough has not been done it is sometimes the fault, not of management, but of the inadequacy of the public relations leadership which has been given to management.

Certainly in any realistic assessment of the facts we must admit that business is not winning the current battle for men's minds. The trouble is not basically that management is unwilling to do enough. The reason is that the approach has not been right.

If business is to win the public understanding and support, without which it cannot operate successfully, it must make its fight on a precinct basis — a basis on which each company's employees, customers, and stockholders, and their families and neighbors, constitute its own special responsibility.

The greatest misunderstandings that exist today on economics and business are in the ranks of industrial employees. It is the inevitable conclusion that if each business would make an effort, sufficiently intelligent to be successful, to straighten out the thinking of its own people there would be no national problem in this respect.

That such a result would be greatly to the individual interest of the employees themselves is a matter which should require no argument with the readers of *The Public Relations Journal*. Once such a result is obtained and maintained, it would assure the continuance of freedom of the American people and the steady increase of the American standard of living which sets us apart from the rest of the world.

No person with even minor experience in politics, or with experience in even a campaign so small as raising a fund for the church, will fail to understand the importance of the precinct approach.

What community chest would ever reach its goal if its efforts consisted solely of public appeals by the head of the campaign, with no solicitation of individuals? In order to solicit individuals effectively it is necessary to divide them up in groups with other individuals assuming the responsibility to approach each of them.

Principle Being Ignored

That principle is basic to success in any approach to the public, yet in perhaps the most important and far-reaching battle of ideas going on in the world today, it is being largely ignored.

In politics it is axiomatic that, in order to win, one must have not only a good issue and a good candidate, but also a good precinct organization. Many a campaign was lost for lack of it, including probably the last one for the Presidency.

Business must do two things if it really wants to succeed in its efforts to achieve public understanding. It must assume the responsibility for making certain that people with whom it is most closely connected understand the company and its problems. It must further make sure that those people understand

the general economic framework within which a business operates. The sooner this is done on a general basis, the sooner there will be a new feeling toward all those forces that would destroy our system.

The question is not whether such an effort will succeed. Not only is there no record of failure behind it as there is behind so many past efforts to lead public opinion, but it has succeeded wherever it has been intelligently applied.

The principal question is not whether it should be done but almost solely how it should be done.

Sphere of Influence

A company's immediate sphere of influence divides itself naturally into several groups — employees, stockholders, neighbors, suppliers, and customers. Of these groups the last is the least important because its members are most likely either to understand pretty well already, or if the company is in a consumer goods industry, to be so numerous that effective direct approach is difficult.

The second group is extremely important in the larger companies whose stock is widely held by thousands of people. But here the approach should be directed toward the interests of the small stockholders. The probabilities are that the larger shareholders are pretty well informed already.

In approaching the small stockholder one is talking to a group of people not greatly different from the average employee — one whose main income probably comes from some direct employment or business, or from savings during a lifetime of such employment or business. Many of them are women, often widows. Here is where the big volume of shareholders is found and here is where the greatest need for factual information exists.

But in all cases, the employees are of first importance. In order to approach employees effectively, it is necessary to use every medium of communication that is available. There is no one pat system to create better understanding of the economic process, and of the extent to which employees themselves are beneficiaries in security, opportunity, and standard of living under the system of private incentive and enterprise.

The written word, if intelligently handled, is of primary importance. This involves the development first of all of a soundly conceived and intelligently edited employee publication — a publication which discusses the business in terms of the interest and welfare of the employee, which spells out its problems and makes it clear that the business has the interest of its employees at heart.

It does not mean a publication devoted to a lot of chit-chat about Mary Jones getting married, a lot of urging of employees to buy the company's products, or on the other hand to cooperate with the campaign designed to avoid waste, prevent accidents, observe good housekeeping in the plant, and what not. All those things are good enough in themselves, but advancing those objectives will not straighten out the economic thinking of America.

Vital Information Necessary

If such a publication is to serve its highest function, it should subordinate all other matters to the main objective — informing the employees on those subjects on which they need information if they are to be expected to form sound conclusions.

The pitfall in such a program is that unless skillfully executed it becomes dull and the readers won't read. Before any publication can accomplish anything, it is necessary that it interest the people to whom it is directed. I firmly

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believe that the soundest printed approach to industrial employees is through a skillfully edited picture magazine which uses the "Life"- "Look" technique of telling a story through a maximum of pictures and a minimum of type.

An economic story can be told this way more effectively than in cold, forbidding essays, if one will put in charge of his employee publication a man who thoroughly understands the picture technique.

Furthermore, it has the great advantage that it shows instead of merely telling. For example, in our own employee picture magazine, no one could consistently, month after month, look at the pictures of our chemical operators, textile workers, machinists, truckers, winders, inspectresses, clerical workers — see them in their homes, their recreation, and their work — and still believe that the American industrial employee is the down-trodden of the earth.

Sound Personal Contact

Just printing a first-class employee publication is a good beginning, but it isn't anywhere near enough. That still leaves a company somewhat in the position of running the community chest drive with only public appeals from the drive chairman and no personal solicitation. It is in getting down to sound personal contact that the most effective results will be achieved.

There is not space here to detail all of the things that could be done effectively. There probably wouldn't be space in a good-sized book either. But three things seem fundamental.

1) The foremen and supervisors must be effective forces in this effort since they are the ones to whom the wage-roll employees naturally look for answers to the questions that may arise in their minds. This means that not only must

the line organization of any company be persuaded that it has a duty and responsibility to spread factual economic and business information, but the line organization must be kept fully informed itself. That is a matter which involves effort and time.

The News Letter

But there is one technique that can be utilized to do this to a certain extent on a mass basis. That is a news letter, circulated at periodic intervals to all persons of supervisory rank including foremen. If such a letter discusses honestly and frankly those questions which are likely to be in the minds of employees at the time, and about which they are likely to ask questions of the foremen and supervisors, a great deal can be accomplished.

Every encouragement should be given the foremen and supervisors to seek questions from those with whom they come in contact, and, once a question is asked to take the time to discuss it thoroughly, until it is clear that the questioner understands fully.

It is obvious that such discussions will produce employee points of view regarding plant operations, many of them not in line with management's view. Since public relations for employees lies in *doing* quite as much as in *saying*, it is axiomatic that such points of view should receive the most careful study by management, followed by action where warranted, and by convincing explanation if not.

2) The thought leaders of the business, which definitely include the president and all the top executives, all the plant managers, and numerous other people, must actively and frequently discuss business and economic problems with the employees — and they must discuss them not from the point of view of their own interest but from the point

of view of the interest of the employees.

This means that businessmen have to learn to become speech makers. It doesn't mean they should neglect the business in other respects, but it does mean that any man in a responsible executive capacity in a business who cannot or will not, from time to time, discuss seriously, honestly, and frankly economic and business problems with his own employees is not living up to the responsibility for leadership which his position imposes. If he does not live up to those responsibilities whom can he blame except himself if public opinion gets out of hand?

Eager for Information

My own experience both as a public relations man and in talking to employee audiences convinces me that the average employee is a rapt listener, that he is eager for information so long as it is presented to him in terms of his interest. He is in fact crying for leadership if we will just give it to him. This does not mean just a speech once a year at the annual employees' picnic. If it is to be successful, it must mean constant and repeated discussions on all occasions which can be devised by all the levels of management.

It is as much the responsibility of a plant manager to talk to his people if he wants to preserve the American enterprise system as it is his responsibility to turn out the product if he wants to preserve the solvency of his company. In plants of 500 or less probably the plant manager should do the major part of the job. In larger plants he will need assistance, and it is part of his job to develop men in his plant in a supervisory capacity who are articulate and can talk to groups within the plant. It goes without saying that a sound public relations department can be of great assistance in supplying much material

and ideas for use in discussions of this nature. Such a plant program can also be very effectively supplemented by bringing in numerous speakers from the home office, or from other sources.

It should not be forgotten that the families and neighbors of the employees are almost as important as the employees themselves. It follows that responsible business leaders must not hesitate to speak out to the whole community on economic and social matters. The importance of this approach has been understood far too little in American business.

If you were the editor of a local newspaper in Sandusky, Ohio, which statement on that new Government-plan-to-run-everything proposal would you be most inclined to give the page 1 place? The statement from some business leader in New York or Chicago, who is only a name to most of your readers, and perhaps suspect at that? Or would you give it to the well-known Sandusky businessman who headed last year's Community Chest drive, is on the Chamber of Commerce board, and is widely known and respected throughout the city? And whose statement, when printed, would have the most influence in Sandusky?

Plant Visit Program

3) A third highly effective method is a well-conceived and conducted plant visit program for opinion leaders, families, and neighbors of the community. If soundly carried out, it can be effective not only with the employees, but with all those other groups who assume a very real importance in the development of the thought of the people of any geographic area.

The plant visit program gives an opportunity for people to see for themselves. I have known instances of people who were highly critical of the treatment business gives to its employees, and

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upon being asked how recently they had been inside a manufacturing plant, it has been found that never in their lives had they seen for themselves. Upon seeing, many of these cases end in a pronounced change of viewpoint.

Place Emphasis On . . .

If the emphasis is placed on the economic and sociological factors in the conduct of the business and what it means to the community, much lasting benefit can be obtained. The best proof of the efficacy of such programs lies in high enthusiasm of those who have tried them on a well-thought-out and intelligent plan.

The type and form of activities outlined above do not compose the easy way for business leaders to lead. But it is the only way that will be effective ultimately. It means that business leaders of all ranks, from president to foremen and supervisors, must get out and talk to their people.

They must talk not in terms of what they want, but in terms of what is in the interest of the people they are talking to.

In many instances where a company is a small unit in a big community, it is readily conceivable that the company may feel that there is little it can do. It is not illogical for the manager of a plant employing 500 persons in Philadelphia to feel that no matter how good a job he does with his employees they will exert little influence upon the thinking of the people of Philadelphia. But the whole point of this concept is that if each company in that community will undertake the responsibility for trying to lead the thinking of its own people, the thinking of the community itself will undergo an almost magic transformation.

Public opinion is made up of the individual opinions of many millions of

people. If public opinion is to be changed, it can only be brought about by changing the opinions of many individuals. Most of them work for or buy from some business. They know and respect people in the business they deal with, either as employees or customers. That person is the one who can be most effective with them.

If John Jones employs 1,000 people in Nashville, Tennessee, or manages a plant of a larger company which employs 1,000 people in that city he can talk and talk effectively to that 1,000. They know him. They have confidence in what he says, and it is, of course, fundamental that he must be scrupulously careful never to shake that confidence by saying anything that he cannot substantiate.

Must Live Right in Own Community

All of this presumes of course that any business that undertakes to regard itself as a precinct and to straighten out twisted thinking wherever it exists in its precinct, must first make sure that it is living right in its own community. That is basic and without it nothing much can be done. However, although there is plenty of room for improvement, the vast majority of businesses in America, by and large, are living right. The point is that many people fail to realize it because they hear a constant barrage of attack and comparatively little said in defense.

There can be no questioning the reactions of the American people if they have the facts upon which to base intelligent judgment. Their instincts are right; they believe in our American system, and can be swayed from it only by false arguments which will make little headway in the face of the facts. Without those facts, a response based on emotion is inevitable.

Since this is so, it is imperative that

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Toward Professional Status for Public Relations

By THOMAS W. PARRY

Thomas W. Parry & Associates, St. Louis

DURING OUR FREQUENT discussions of the subject, my friend — an able and respected lawyer — invariably expresses his conviction that public relations, within five to ten years, will grow to professional status, self-regulated as rigidly as are the law and medicine.

I hope he's right. I believe he is. If I didn't, I'd take leave today of my business as a public relations counsel — a business I've been engaged in since 1927.

Gradual development of public relations into an honest-to-goodness profession, self-governed under a rigid code of ethics, is, to my mind, the most important job facing the top-flight public relations counsel and public relations officers of this country today. We talk of the need for educating the captains of industry to the urgency of intelligent public relations philosophy and sound public relations actions. That need exists, to be sure, and, to a greater or lesser degree, always will. But it does appear to me that the most effective way to educate management is through solid example: through development of and

adherence to honest public relations philosophy and sound public relations action on the part of *everyone* who is permitted to practice public relations.

We in this business have come a long way since the nineteen twenties and thirties. We're on the main track and we're going strong. There are many independent public relations counsel and public relations officers of industries today whose thinking and whose performance and actions are on the highest professional plane. But far from having attained the recognition to afford complacency, we are today, in my opinion, in that stage of development where the very life of our business depends upon our determination to press uncompromisingly toward professional maturity within the next few years. We cannot afford to swerve from that objective.

What does that job imply?

Let's face the facts. It implies a lot of things. It implies, among others, placing public service ahead of private gain — and meaning it. It implies depriving promoters and charlatans and those who are otherwise ill-equipped of the privilege of calling themselves public relations counsel and practicing the profession. It calls for adequate education, for examining and licensing; it requires involvement of a meaningful code of ethics and a practicable, effective means of self-enforcement of that code.

One who enters the public relations business with monetary gain as his governing objective cannot, I believe, honestly or effectively serve either his clients' or the public interest. He can no

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more do so than can the doctor or lawyer who places the making of money ahead of his public trust. In the first place, one cannot build a fortune — even a modest one — out of public relations any more than one can create great wealth by practicing law or medicine. He may make good money, of course. But with our country's debt and consequent tax policy being what it is, none of us will build a fortune from even a substantial income.

Satisfactions

He can, however, get satisfactions that I believe are just as necessary as money: the satisfaction, for example, of helping to strengthen the democracy under which we Americans are privileged to live; the satisfaction of contributing to the development of industrial peace for the mutual benefit of capital, labor and consumer; the satisfaction of doing a needed job honestly, courageously and well.

During extensive travels in the interest of a client not long ago I met two individuals engaged in public relations whose attitudes and practices, disclosed through their comments, are hurting ethical practitioners and hindering the healthy development of public relations as a profession. One of them rather disdainfully remarked that he had "no particular interest in public relations beyond a means of making fairly good money." What was concerning him most at the moment was the fact that he found it necessary to stick rather close to his work. "But," he concluded with a certain pompousness, "I have no particular zeal for public relations. If I felt I could make as much money with less effort manufacturing teddy bears, I'd certainly get in teddy bears."

The other exposed much the same — shall we say? — thinking. "The only damned reason I'm in this business," he

declared, "is to make all the money I can as quick as I can. Blotz and Klotz (referring to one of his clients) aren't getting their money's worth out of me and they're hell to work for, but I'd work for Beelzebub himself if he paid me enough."

Those are illustrative of the attitudes that must be weeded out as public relations grows to professional status. For sincere and principled public relations counsel, like principled doctors and lawyers, are placing public service ahead of private gain. And today's youth who are viewing public relations as their life's work must realize the full meaning of that philosophy. The obligation it conveys, for example, is to part company with a client when policies and actions clash with principles. To borrow the words of a public relations practitioner, as quoted in *Fortune* recently (May, 1949), "A man ought to be ready to resign for a principle. If he isn't there's no use in his talking about being a member of a new profession, because he's already a member of the oldest."

Code of Ethics

As public relations gradually emerges as a true profession, its code of ethics will be too tough for the promoters or the quacks, some of whom, unfortunately, are still operating behind the public relations shingle. There's nothing wrong, of course, with high-pressure promotion, as long as it's properly labeled. But it isn't public relations. It's simply — promotion.

An acquaintance of mine who operates a sizeable industry in the northwest is involved in what is possibly one of the longest strikes on record. It has been going on for years. He's soured on public relations. In his own words, he's "thoroughly fed up with it." I don't blame him. In the early months of his labor difficulties he retained at a sub-

stantial fee a so-called public relations counsel who was long on promises and desperately short on capacity and experience to perform intelligently. You can't "promote" industrial peace with catchwords, circus stunts and villification.

And in public relations, as in medicine and law, you can't promise anything except ability and the energy to apply it with all the skill and determination at your disposal. You can't promise anything more — unless you're a quack.

As they progress toward their objective to attain true professional stature — an objective I confidently believe will be reached in a very few years — today's leaders in the field of public relations will perfect minimum educational requirements governing membership in the profession. Considerable progress already has been made in this direction. A college or university degree should, in my opinion, be required. The course of study should include the liberal arts, as well as training in the various techniques of public relations, with emphasis on the liberal arts. Regardless of his ability to practice the techniques of public relations, I believe one is not qualified today to enter this profession until he is fairly well steeped in the history of the United States and somewhat familiar with that of the world; until he has learned enough English to know how to use words to convey meaning clearly; until he knows enough about economics to understand what makes this country tick; knows something of the history of industry and organized labor; until he has some conception of the causes and effects of human behavior — until, in short, he has a solid educational background in the liberal arts. Perhaps the answer lies in an A.B. degree, or its equivalent, plus a year's postgraduate study to understand

the basic purpose and philosophy of public relations and to know what techniques are practiced by the public relations counsel.

Because his works and his influence increasingly bear upon the welfare of people everywhere — of industry, labor and consumer; of all economic and social groups — the applicant should be required to pass a stiff examination before he is *licensed* to practice public relations, just as lawyers and doctors must do. And he should be *licensed* through competent state boards.

Formulation and adoption of a code of ethics by the Public Relations Society of America is the foundation in this process of bringing about professional status for public relations. This code will accomplish its purpose only if a means is established for its rigid enforcement by members of the profession. This, it appears to me, may be done by formation — on local and national levels — of grievance committees with authority to act, similar to those which are functioning so effectively in many local bar associations.

Perhaps one year should be provided, following its adoption, for public relations counsel to subscribe voluntarily to this code and conduct their business in observance of its principles. But after that, membership in the Society should be contingent upon its acceptance.

Emergence of public relations into professional status will not — indeed, should not — be accomplished within a year. But it should be a reality within five, at the most. The Public Relations Society, whose officers and committees are now working intensively toward accomplishment of this objective, can go a long way toward its attainment by adopting a code of ethics at their Second Annual Meeting this winter.

REALISM IN PUBLIC RELATIONS

By WALTER H. WHEELER, JR.

President, Pitney-Bowes, Inc., Stamford, Connecticut

I MUST, at the very outset, make the usual "Coals-to-Newcastle" disclaimer. And yet, any reluctance I feel is outweighed by the pleasure I shall derive from trying to tell public relations men something about *their* business . . . for a change. I hope, however, that this rather novel experiment will benefit us both.

As nearly as I have been able to tell, one of the favorite sports of public relations men is defining public relations. It seems to me I am always reading of some new effort to corral this elusive noun, give it definitive flesh and an air of respectability. It's a healthy thing — this groping — for it's the only way I know for a new profession to establish its own ethics and functions.

Most of you, I imagine, saw *Fortune's* article on public relations last month. I liked their definition: "Good public relations is good performance — publicly appreciated." That's what we believe at Pitney-Bowes.

I am pleased, naturally, when a business associate tells me, "Say, you've got a good public relations manager up there." But I am much more pleased, and I know Fred Bowes is too, when a visitor comes to the plant and reports that his Stamford cab driver said "You going to Pitney-Bowes? Say, that's a good outfit . . . a good place to work!" That's what I *really* like to hear . . . just as the advertising manager likes to hear someone say, "That's a good buy."

instead of "That's a good ad." You don't convince cab drivers, or corner grocers, or ministers, or any other citizens of a plant community that you're a good outfit to work for unless your performance is good.

I don't want to minimize techniques, because I know how effective certain techniques have been in our company. And I join with you in the fervent hope that more and better techniques are found, and more and better technicians are given the opportunity to practice them. But, in the last analysis, techniques are not as important as good performance, growing out of a sound management philosophy for doing business.

What does good performance mean? Well, I can tell you what it means to us:

It means, first of all, earning good profits, without which we can't remain in business, let alone grow.

But it definitely does not mean earning maximum short-term profits. It does mean, many times, sacrificing some immediately available profit because of a definite sense of social responsibility. It is in this way, and this way only, that maximum long-term profits — and free enterprise itself — can be preserved.

Then, good performance means treating our employees as if they were the most valuable asset we have — *because they are just that.*

And it means, too, recognizing our responsibilities to our community, and, having recognized them, accepting them, and acting accordingly.

On a wider horizon, it means recognizing our responsibilities to our country and its responsibilities to the world, and the effect which the operation of

"REALISM IN PUBLIC RELATIONS" is the address given by Walter H. Wheeler, Jr., President, Pitney-Bowes, Inc., Stamford, Connecticut, before the New York Chapter of PRSA at its luncheon meeting on June 13th.

our industries, individually and collectively, have on economic and political conditions — the sobering knowledge that our management policies, like a pebble in a pond, send ripples into the homes of families in California and France.

Profits Socially Useful

Let us consider, first of all, the subject of profits. We have been altogether too timid about it. It is not, like cousin Nellie's epilepsy, a subject to be whispered about, rationalized and apologized for. Too many of us have allowed ourselves to become neurotic on the subject, to jump skittishly when it's mentioned, to take the defensive, and to justify it with heavyhanded belligerence.

Profits are socially useful, and we must say more about them. They make possible the very things our employees are eager for — good jobs and security. If we fail to convince our employees, and the public, that this is so, their ignorance is our fault, it seems to me, and we will pay the penalty.

It might be said that we have tried to tell employees and the public about profits for the last several years, without making much of a dent. That is only true because there has been far too much generalization about it and not enough specific in-plant effort.

This brings us to the second prerequisite for good performance — treating our employees as our most valuable asset.

And this means, to me, at least, treating them as individuals, recognizing their conscious and subconscious motivations . . . dealing with them fairly and honestly, crediting them with at least as much basic integrity as we have. Unless we can do this, from the foreman to the president, what chance will we have of convincing them of the social function of profits? And unless they participate

in some direct manner, how can we elicit their real interest?

To me, the basic root of much of our troubles in this country is that we expect to solve our problems with national advertising campaigns, instead of face-to-face meetings, on the local level, where they originated . . . and where they must be met and resolved on a participating basis.

I have known some managements that have undergone partial conversion on this issue. They have engaged public and industrial relations counsel, and they have made a start. But basically, subconsciously, they still believed their workers were "a bunch of loafers and chisellers", and believing this, they were doomed to failure. Failure, of course, merely confirmed what they knew all along.

You know, the communists aren't the only ones to be poisoned by the doctrine of class struggle, and its inevitability. Some of us in management, without realizing it, perhaps, have been committed to the same specious theory.

Faith

It seems to me that the foundations of good human relations in business and industry must be faith — faith that human beings, by and large are good; that they will respond in kind to fair and sympathetic treatment. I never look into the faces of a group of our employees without the conviction that if we in management can't get along with our people, there must be something wrong with us, not them.

Time and time again I have told our foremen and supervisors that the minute any one of them begins to feel that his employees are just a bunch of chisellers and loafers, intent on putting something over on him, that minute he becomes unfit for human leadership, and he'd better quit — temporarily to rest, or perman-

ently, if he can't see things in a different light. We certainly know that human beings are motivated by what they feel. No one feels right and cooperates unless he is in an atmosphere of sincerity, human warmth, and fair play. The farther away we get from the people on whom we must depend, the greater must be our effort to create and convey that atmosphere — the only climate in which the human being thrives and grows.

Community Responsibilities

Good performance in profits and with employees might seem to assure good performance in the community. Almost, but not quite, I think. Community responsibilities, of course, vary according to the size and nature of the town. But too many companies in the past have considered themselves self-sufficient in their communities, unconcerned with the town's problems of government, schools, health and welfare. Today we are finding that companies must be good citizens. And this means the company's management must set the pace. If it does, employees will be stirred to similar civic consciousness.

We recently had a \$1,500,000 hospital building fund drive in Stamford. We had no precedent for raising this much money. Our Community Chest goals had never exceeded \$300,000. But industry and union leaders joined with other community leaders, and when the drive was finished we had almost \$2,000,000.

And how did the workers do in this drive? Well, our own employees, some 1,200 of them, gave slightly over \$76,000, an average of more than \$63 per employee. Workers in other industries came through exceedingly well, too.

We did more than provide for the building of a hospital. We improved the industrial and public relations of every plant which participated.

Industry has many internal and pub-

lic responsibilities, too many to list here. But among the most important of them is the necessity to stabilize employment at a high level, insofar as it is humanly possible to do.

The big public want today is an economy of reasonably full and steady employment. The big public fear and skepticism is one of boom and bust and unemployment. It's not too much to say that free enterprise will stand or fall on its ability to lick that problem. If it is to survive, it must provide jobs for all ready and wanting work — except for the unavoidable percentage of marginal, or so-called "frictional", unemployment caused by shifts and changes.

No. 1 Problem

Right now, this is industry's Number One problem in public relations. It puts a challenge to all of us. To you as professional public relations people, it poses a real interpretative job — and, to us who determine industry's public relations action, it means the need for real self-control and courage. Specifically, it means good planning to level out the peaks and valleys of production and employment, and it means restraint and refusal to become panicked into wholesale layoffs to reduce inventories in anticipation of a depression which we thus help to create. It means aggressive selling and lower prices possibly on a narrower margin, but with the probability of the maintenance or increase of volume with better dollar profits.

If, as has been shown, an individual company's gains in goodwill can be vitiated or wiped out by poorly handled, or unexplained layoffs, imagine the effect of widespread cyclical unemployment on our whole free enterprise system — at home and abroad.

All this is very well, it might be said, but how, except in the haziest of terms, can we extend this need for good per-

formance to include our political and economic responsibilities to the nation and its responsibilities to the world?

As individual companies, perhaps we can't. But the public, including our employees, tend to think of American business as an entity. And, for our own self-preservation, if for no other reason, we had better begin to think of our social and political responsibilities in the same way. To me it means that we should begin to think and act cooperatively and constructively in the social and political sphere, while maintaining the maximum of competition in the economic sphere. This doesn't require that we succumb to corporate schizophrenia, as it might seem. We can do both, and we need to do both.

Corporation a Political Entity

Fortune's May issue article "Business is Still in Trouble", is worth quoting here:

"The corporation, as some of the experts like to put it, is a political entity. It must go into politics, particularly if it is a company against which any organized group of people can agitate — which means most companies of any size . . . Its politics must be based on doing things right. The corporation must make a policy of its social consciousness, and make that policy permeate its whole organization from the chairman of the board to the sweeper in the shop.

"And it ought to go further. The results of poor public relations are measured at the polls. Business needs votes. To stop the encroachment of government on its prerogatives the corporation ought to come to grips with the many apparently 'insoluble' problems that plague it. It ought to justify its profits, not apologize for them . . . It ought to approach the problem of unemployment constructively. In short, it ought to try to vol-

unteer the benefits for which labor and the community, even when they think well of business, too often turn to the government."

You know, as I do, there is a general belief today, not only in this country, but throughout the world, that American business, to put it simply, is against "good." And a corollary belief is that government, on the other hand, represents the means for achieving "good." It doesn't help to howl in righteous wrath at this ingratitude, to raise the cry that we have the finest country in the world, with the greatest material standard of living. If this false belief is to be changed, we must associate ourselves with some of the "good" things our people want, even to the point of taking the initiative and anticipating some of them. And when we *cannot* support some of the seemingly "good" things, then it seems we should make it our Number One job to explain the "why" and "how" of our objections — and suggest *better* methods for gaining the same "good" objective or an equally "good" objective.

Profit Sharing

One way to take the initiative would be for industry to adopt profit sharing on a far wider scale than it has thus far.

Profits and their disposal are one of the basic points of contention at every bargaining table in the country. Sharing would not eliminate this contention entirely, but it would do much to alleviate the stubborn irrationality which presently characterizes bargaining sessions.

We urge our employees to increase their efficiency, their productivity; we explain the economics of our system, and the necessity of profits. But, when all is said and done, without profit sharing in some form, aren't these academic exhortations? There is, in fact, no other way in which the real partnership be-

tween capital and labor can be symbolized except through some sort of profit sharing. It is, I think, the spark that can bridge the gap between the two — the answer of democratic capitalism to communism.

Employees' Stake in Business

Employees do have a stake in the business in which they invest a part or all of their working lives. And after a reasonable return has been paid to stockholders, it is only fair and just that employees share any return beyond that. It is an antiquated concept to draw a profit line — a battle line — of distinction between capital and labor, while giving lip service to partnership.

It would be presumptuous of me to talk to you about the techniques needed to establish good human relations, for you know much more about them than I do. But I sometimes think too many managements start at the wrong end of the scale in attempting to set up a communications program to improve their relations with employees.

At Pitney-Bowes, we work on the theory that the best method is face-to-face consultation and individual recognition. After that, in order of diminishing effectiveness, come group meetings, mass meetings, quarterly letters to the home, bulletin boards, company magazines, annual report, and, *finally*, newspaper ads.

I have talked a good while now without once mentioning "Realism in Public Relations," the subject of this talk. And it might be argued, by those who believe realism and idealism are categorical opposites, that my diagnosis and prescription are anything but "realistic."

But if realism is the disposition to think and act in the light of things as they are, then I believe the diagnosis is realistic.

As for the prescription, I go along with Hans Vaihinger, who said, "It must

be remembered that the object of the world of ideas as a whole is not the portrayal of reality . . . but rather to provide us with an instrument for finding our way about in this world more easily." We need such an instrument today.

The "realism" is that it is *people* — human beings — who will determine the future of business as we know it. And the *realism of people* is that they act on understanding and faith and trust and sincerity. That is realism not idealism.

Thomas Roy Jones of ATF says, "If the public is to permit the existence of business as it is now carried on — and we do not forget for one minute that business, labor unions or anything else exists only at the will of the public — then the public must know about business and the many benefits which they gain from business operations."

Human Relations

I believe that the most effective and realistic instrument we have at hand is this thing we call good human relations. I believe that good human relations represent the greatest need of our times; that they must be built primarily on faith in the individual's inherent dignity and decency; that techniques are secondary to frankness and sincerity; that we must seek better human relations as an end in themselves, without rationalizing about any so-called "enlightened self-interest"; that good human relations demand high moral standards, and that such standards are compatible with free enterprise; that nobody belongs in the leadership of men today — whether it be in industry, labor or public affairs — who can offer no better philosophy than maximum material gain for himself in either the long or short run; and that it's high time we brought this fact more into the light of day.

We in management have a great op-

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PUBLIC RELATIONS' INTEREST IN PROPOSED LOBBY INQUIRY BY CONGRESS

By WILLIAM H. BALDWIN

Baldwin & Mermey, New York City

AT THIS WRITING late in May certain alarums and excursions in Washington would seem to indicate that a full-dress Congressional investigation of lobbyists and lobbying is in the making. Perhaps this particular storm will blow out to sea; but such a public airing is bound to occur within the not too distant future. Properly projected and developed, it can be of inestimable value to the practice of sound public relations and to a clearer public understanding of public relations scope and functions. Hence, we all have a direct and a keen interest in keeping an eye on the situation.

To one whose wisdom teeth were cut on the Hawley-Smoot Tariff fight of 1929-30 and in the collateral activities of the Lobby Investigating Committee under the late Senator Caraway, there is nothing nostalgic in the prospects of another such probe. Then no holds were barred by the legislative St. George in slaying the dragon of Big Business. In the light of the much more recent lobby

registration law, it is interesting to note that the philosophy underlying the present legislation was first applied in that earlier attack on lobbying. Despite the fact that the writer was selected for work on one aspect on the then proposed tariff act on the basis of his position that he did not "know Washington," had no interest in knowing it and conceived his function as that of taking the particular issue to the public and letting it express its reaction, his every act and his personal correspondence with his clients were scrutinized and publicized by the Caraway Committee with the same intensity as that given to witnesses associated with the traditional activities of lobbying "on the hill."

The distinction between the personal and often clandestine approach to influencing legislation affecting public policy and program, and what may be termed the reflective technique of taking an issue to the country and letting the people register their position with the Congress, is of basic importance to the practice of public relations. It will be considered later in this paper, but attention should first be called to a new and significant development in the current interest in lobbying. Whereas, twenty years ago, Big Business was singled out as the culprit, it now looks as if the quest may be extended into the lairs and warrens of governmental agencies as well as into the doghouses to which business feels it has been relegated. The hunt will range far afield from yesterday's green and red houses on Washington's alphabetical streets. It will burrow

WILLIAM HENRY BALDWIN established his office in 1926, Maurice Mermey becoming a partner in 1939. Active in the organization and development of the National Association of Public Relations Counsel (now merged in PRSA), he served as one of its early chairmen. A graduate of Harvard (1913), he studied further at the University of Wisconsin and had his newspaper training on the old *New York Evening Post*. In 1947-48 he led a series of panel discussions of public relations by a faculty group of the Harvard Business School. He was counsel to the Federal Trustee throughout the McKesson & Robbins reorganization and is active in the field of foreign economic policy.

into allegations of "thought control" by Federal departments, bureaus and commissions; and it will ferret out the lines of communication and the types of information developed by these agencies through the national network of citizen-organizations active in domestic affairs and world policies.

Cannot Escape Responsibility

If, as, and when such a Congressional investigation starts to roll, it will not be a spectator sport for public relations counselors serving business. In the first place, what legislators and administrators — at all levels from town to national — think and do about business, has become critically important to business. If public relations extends on the one hand to the attitudes of receptionists and the road manners of a client's truck drivers, it cannot stop short, on the other hand, of the client's relations with the Town Hall, the State Capitol and Washington. Whether or not public relations counsel is directly charged with these relations in any given case, he cannot well escape basic responsibility for the way in which management appraises and handles such relations.

Hence, all of us are concerned with the nature and extent of legislative identification of public relations with the various types of activities that may come within the orbit of Congressional scrutiny. We shall see ourselves as our lawmakers see us, and that is always subjective and instructive. At the same time, there should be a certain amount of objective relief in watching our solons poke around in the ant-hills of official and articulate Washington.

* * *

Extension in the definition of lobbying to include activities far removed from direct contacts with legislators is a sign of the times, which reflects the growth in one of public relations' basic

functions: wholesale distribution of information and mobilization and deployment of public reactions to the information disseminated. Current emphasis on inquiring into governmental activities in this field raises the question as to whether the public relations officer of the Armed Services and the "information officers" of the civilian agencies may have gotten the jump on us in the business world, when it comes to imagination in the development of techniques, channels of communication and audiences. To adapt an ancient saw, where there's an investigation there must be a fire.

Inasmuch as Congress is due to assert its leadership in the investigation of lobbying as currently practiced, it is in order to examine, in terms of public relations' interests and associations with them, the three principal types which presumably will be subjected to scrutiny.

Old-Style Lobbyist

First in chronological sequence is, of course, the old-style lobbyist who sells personal influence and Washington "know-how", frequently operating through cocktail parties, intimate dinners and heavy expense accounts. This type suffers from the number of Congressional lame ducks, former bureaucrats and just plain fixers and glad-hand artists who have become identified with it. Now, many of them are climbing on the public relations band-wagon and setting themselves up as "public relations counselors"; but this should not obscure the basic fact that, from the very day that public relations started to move out of press agency and publicity promotion and into policy determination, it could no longer adopt the alibi that lobbying is outside its field of interest. Relations with government come within the proper scope of the public

relations function just as clearly as do relations with stockholders, customers, suppliers, communities or any of the other publics that are of concern to business management. If management elects to purchase the personal influence of an outside intermediary in developing its case for or against pending legislation or the administrative interpretation of laws already in force, such decision is an integral part of public relations policy and cannot be divorced from it. Hence, developments in this phase of any Congressional investigation of lobbying will be of direct interest to all counselors both within and outside corporations.

Take Issue to Public

The alternative to old-line lobbying is to take an issue to the public with the purpose of building an opinion that will register itself with the legislative body at interest, whether municipal, state or national. Because of the growing use and effectiveness of this method of operation, it has become officially recognized by Congress and by some states as a lobbying activity. As a result, the directors of such educational programs or campaigns may never get within one hundred miles of Washington but nevertheless be classified as lobbyists subject to registering with Congress and to reporting periodically on their activities and expenses. Just as personal lobbyists "on the hill" suffer from the abuses practiced by some of those who have joined their ranks, the directors of broad campaigns for public education and support on specific issues are becoming suspect through the activities of some operators who have entered this field of public relations. "Letterhead committees" and other synthetic fronts, "ganging up" on selected Senators and Representatives through showers of almost identical telegrams and floods of

postcards have given a veneer of phoniness to a natural and important use of the democratic process. So here again, both an airing of the situation and the Congressional and public reactions to such disclosures as may develop, should prove to be definitely instructive to the public relations fraternity.

This will be even truer when the investigating committee turns its spotlight on governmental activities in public education and in the mobilization of public support for Administration policies and programs; for there is good reason to believe that several of these agencies — notably the State Department — are well out in front of business in one phase of public relations development, that has too long suffered from neglect or, at best, from inept cultivation. This phase covers the field of non-profit citizen-organizations active in public affairs.

Will Be Rewarding

Whether the Congressional investigators give the governmental agencies a clean bill of health in this particular field, or criticize them for undue activity, public relations practitioners in the business world will fix their attention on how channels of communication have been developed with the citizen-organizations, how contacts have been established with their leaders, and what successes have been obtained in terms of furthering specific policies and programs of the Administration. If the inquiry indicates that effort in this field can be productive, public relations thinking and planning will be correspondingly broadened. On the basis of a pioneer service to the citizen-organizations during the past two years, the writer believes that special attention to this phase of the proposed Congressional investigation will be rewarding. When one finds that 161 national organizations

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France Studies American Public Relations



French industrialists present scroll to Public Relations Society of America, Inc. MAXIME DUVAL, Cie Alais, Froges & Camargue-Pechiney (left) and CLAUDE BOUVARD, Cie Electro-Mecanique (right) present scroll to AVERELL BROUGHTON, President of the Public Relations Society of America, expressing appreciation of Society's sponsorship of their tour.

FOLLOWING a month's tour for the purpose of getting an overall view of American industrial and public relations methods, four leading representatives of French industry stated:

"It is possible that the introduction of good public relations methods may have the same beneficial effect on public attitudes in industry in France that the Marshall Plan has had on our economy."

The trip, sponsored by The Public

Relations Society of America, planned and executed by Attitudes, Inc., was the first effort by European countries to study American techniques in the field of public relations.

Representing Cie Alais, Froges & Camargue (Pechiney), one of Europe's two largest producers of aluminum and chemical products were Maxime Duval and Pierre Cury. Claude Bouvard represented Cie Electro-Mecanique, France's foremost manufacturer of electrical

equipment, and Jean-Louis Couroux, Cie Electro-Chimie d'Ugine, well-known French industrial chemical producer.

The group arrived in New York early in May, where the four executives spent the first week in seminar discussions, at which authorities in public and industrial relations discussed current problems and programs in these fields. The following three weeks were spent on tour visiting companies whose programs were of specific interest.

Among the organizations whose representatives led discussions and whose facilities were made available to the French group were: E. I. duPont de Nemours & Co., McCormick & Co., Standard Oil Co. (N. J.), General Foods Corp., General Electric Co., American Management Association, Opinion Research Corp., R. H. Macy & Co., Plaza Hotel, Monsanto Chemical Co., International Harvester Co., General Motors Corp., Standard Oil Co. (Ind.), Western Electric Co., Aluminum Company of America, Lever Brothers Co., Walter Baker Co., Bridgeport Brass Co., Pitney-Bowes, Inc., and Boston University

School of Public Relations.

As a token of their appreciation to the many members of the PRSA who made their trip so rewarding, the French industrialists during their final press conference presented a scroll to Averell Broughton, who received it on behalf of the Society. In a joint statement, the group said: "Naturally, in observing the various public relations and industrial relations programs in action, we have noted many different methods by which these programs are implemented. Our purpose in coming was in part to observe and in part to determine which of these efforts we might apply in France. The industrial situation in France is considerably different from that in the United States. Certain of your problems do not exist in France. It is our hope, however, that our companies will adapt the methods which are within the means of our country, for we are convinced that public relations as practiced in the United States is vital as a function of management, as vital in many ways as production."

CORRECTION

Through error the names of Walter Sandt, Joe W. Savage, and Bruce Watson were published as applicants for Associate membership in the June issue of the *Journal*. They should be posted as applicants for Active membership, the classification for which they are qualified and recommended by the Eligibility Committee.

PUBLIC OPINION

and

Public Relations

By E. D. WHITTLESEY

President, Research Services, Inc., Denver, Colo.

EVIDENCE OF THE EFFECTIVENESS of professional public relations methods has been difficult to measure in a completely professional way. To improve our techniques, more scientific means of measuring results are needed. We need to know how to measure, recognize, and understand the impact of our public relations efforts, before we can improve our professional standing. Better measurements will produce better results.

It is my purpose today to submit some additional evidence to the body of knowledge concerning the effectiveness of professionally planned public relations. This evidence concerns the role of public opinion polling in public relations planning, for we begin with the assumption that things are not what they are; they are what people think they are. In public relations, we are not dealing with things as they are actually, but rather with people's observations of them. How people observe things, or

more important how they fail to observe things, is what creates favorable and unfavorable public relations situations. If Lincoln was correct in saying "Public opinion is everything; with it nothing can fail, without it nothing can succeed", then it behooves us to learn more about public observations and public opinion in every public relations situation. It is foolhardy to attempt to mould or change a given opinion when we don't know the existing degree or extent of opinion with which we are trying to cope.

We don't have to study each situation in detail to get the job done. We can copy other successful efforts, or rely on our experience and certain rules of thumb, to turn in an average job. We will find it necessary to do that on occasion, but on-the-spot research is often needed.

The "election campaign" of Senator Bullwind vs. Charlie Dobbs in the comic strip "Abbie and Slat" provides an excellent example of failure to supplement imitation and rules of thumb with original on-the-spot research. Charles Dobbs makes a favorable impression on feminine voters in a bathing suit. His opponent, Senator Bullwind, noting the tremendous success of the Charlie Dobbs billboards . . . showing Dobbs in a bathing suit . . . decided to be his own public relations man and imitate everything Dobbs did. You who follow the comic strips read the outcome of the campaign and will remember that Bull-

ED WHITTLESEY, President of Research Services, Inc., Denver, Colorado, has long been a proponent of opinion and market research as the basic guide to intelligent, successful and economical public relations planning.

In this his first article to *The Public Relations Journal* he shows why a knowledge of "the climate of opinion" is important to good public relations performance.

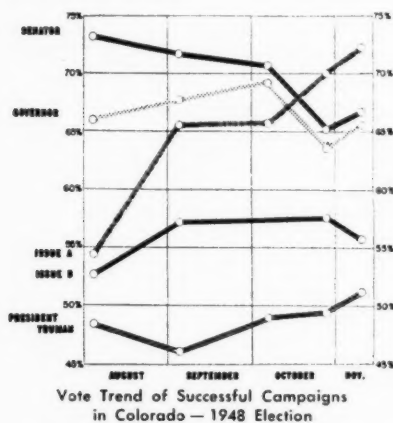
He is a past president of The American College Public Relations Association and recipient of its 1948 award for Distinguished Service.

wind was an utter failure as a candidate and a public relations man. The more scrawny old Senator Bullwind imitated his opponent the more votes he lost.

Ex-Senator Bullwind had failed to use on-the-spot opinion research to help guide him into an effective campaign tailored to his own particular attributes.

In contrast, it is interesting to study the results of a real-life campaign in which the "candidate" was guided at every turn by opinion research. The candidate in this case was not a man but an issue, and the objective of the campaign behind this issue was similar to the objectives of many commercial and civic public relations campaigns.

I shall attempt to follow this up with three observations:



First, show the astonishing effect of an intelligent public relations campaign, as demonstrated in capsule form both as regards time and area. In this case, time represents only three months and the area is a state. The state or community level is particularly appropriate, since it is at the local level that public relations has had the least research guidance.

Secondly, tell you something about the role of opinion research in getting

the job done (insofar as I can without going into confidential material).

Third, point out some of the by-products of such studies, how they give us better understanding of the impact of public relations activities on public opinion, with particular reference to the role of advertising media in reaching or not reaching susceptible people.

At the far left on the chart are shown approximate starting points in late summer of five successful causes in the election last year (1948). In the center of the chart are the standings as of September and October. At the right are shown the final pre-election poll results in late October followed by actual November vote results from official counts.

You will note that there is not a great deal of significant change in five of the six successful causes . . . even on this chart which is presented in a way that emphasizes changes. You know that Truman put on a tremendously successful public relations campaign. He came from behind and won against a universal belief that he could not win more than a few states.

Victory Line

Note Issue A on the chart especially. It is a victory line in more ways than one. We have all been called upon to justify our public relations activities. We have to convince the company president or the board of directors that our budgets are justified or need to be increased. We have to convince people that it takes time and money and professional skill to achieve public relations objectives. Clippings and scrap books have long since ceased to be the answers to such inquiries.

Issue A's progress from summer to November shows what can be done when an intelligent public relations campaign is given time and money and skill . . . plus opinion research . . . to accomplish

its objectives. Public support for this cause started at barely more than a risky majority and ended up at almost three quarters of the vote cast, best of any of the "candidates". One need go no further than this chart to demonstrate point number one . . . that public relations can be tremendously effective and that its effectiveness can be measured most convincingly and conclusively with research.

Research Measured Results

Point number two, concerning how research was used during the campaign, is partially shown by the chart itself. Research measured results, without which knowledge it was impossible to say whether or not the campaign is progressing along the intended lines. The research was used also for many other purposes. In the early days of summer, surveys showed that the public was not well informed on this issue . . . that great gaps of disinterested, apathetic and uninformed voters lay between the hard core of groups favorable and unfavorable to it. This finding was interpreted as both a danger and an opportunity . . . a danger because the information "vacuum" was related to unfavorable impressions and misunderstandings, and an opportunity because this information "vacuum" was an opening to be filled with favorable information.

The extent and type of these information vacuums was described and public reaction to various campaign ideas of both sides was measured. To a fairly good extent, research blocked out the kinds of things that the public would react to . . . the appeals, arguments, and the information that would be important to the public and effective in molding public opinion. Research didn't determine the whole course of the campaign . . . experience and judgment are indis-

pensable to sound planning . . . but it mapped the way and laid out the boundaries within which good creative imagination, strong organization, professional skill, and money did their jobs.

During the campaign practically all advertising and organizational media were used. A second great usefulness of opinion research was in measuring the impact of these various media and pointing out the most effective media while there was still plenty of time to use them. This is simply following the good old public relations principle of knowing what's good and doing more of it. For instance, this campaign made two innovations: it started early and put tremendous emphasis on one medium . . . paid newspaper advertising. Both policies might have been bad mistakes in another situation, but here research showed they were justified and campaign managers had reassurance for continuing those policies. An apparent slacking off of the rate of gain during the mid-campaign period was met with redoubled efforts in the later stages.

Value of Research

Point number three concerns the value of research in giving us more permanent understanding of some public relations problems and their solution. The sponsors of the research shown on the chart not only won a campaign by such a majority that their future is assured, but they added to the permanent store of knowledge that they have about their problems. It should be borne in mind that these observations are from only one study and should not be accepted as final or conclusive — but indicative and supporting evidence which I hope will be followed up by others of you whenever or wherever possible.

As an example of the kind of permanent knowledge that such research gives, we might discuss the "susceptible"

person or voter. Just who are the people who react to information campaigns and how may they be reached? First of all, it is beginning to be known in many studies that they are often the people with low interest in the issue, with poor information or no information on it, and with little inclination to pay attention to it. On the other hand, opposing them there are groups in the population with intense feelings on any issue . . . people who know all about it, pay attention to every word said about it, and generally never change their minds on it because they made up their minds and have reinforced that decision by years of listening to their own side's arguments. These people we might call "non-susceptible" voters.

Size of "Susceptible" Group

One of the surprising findings that appeared in our studies is the size of the "susceptible" group, as opposed to the "non-susceptible" groups. In politics on the local level, it would not be a bad estimate in many cases to place the size of the susceptible group at 50% of the electorate or more. These people are distinguished by low interest in a given issue, which in turn means that they are apt to have little information about it. We cannot say exactly how it works, but we're finding that a person with little information is also apt to be a person who is susceptible to new information . . . he'll be more likely to believe what he is told, *when and if he is told*.

Here's an example. If you care nothing and know nothing at all about opinion research, and someone tells you it is worthless, you are more apt to believe that person than is someone else who has been interested in research and is well-informed on it. You are "susceptible". There are undoubtedly other characteristics of the susceptible voter in various situations, but the lack-of-infor-

mation is an important characteristic having these practical implications for you:

1. You've got an "information vacuum" to deal with, which is an opportunity to get there "fastest with the mostest" information to fill that vacuum. We believe that in many cases the susceptible voter is not only likely to believe either side, but *to believe the side which tells him about it first*.
2. We tend to believe that this susceptible group of voters on any given issue is larger than most people think . . . so large that no way of life can succeed without its support. We in the polling business have great admiration for the reasonable and rational way that the public reacts to the information it gets, but a great fear of the size and the depth of the vacuum of information that the public does *not* have.

Doesn't Pay Attention

It is important to note also that the susceptible voter doesn't pay attention to what you're trying to tell him. The thing that probably leads him to be susceptible, uninformed and apathetic . . . *his initial low interest in your issue and your problem* . . . is the same thing that makes him the least attentive to you.

Here's an example again. A minute ago we assumed that you cared and knew nothing about opinion research, which would lead you to believe anyone who told you it was worthless, or wonderful, or even a magic art. But the trouble is you wouldn't listen to anyone on the subject because you were not interested in the first place. If someone talked about it in a group, you would drift over to another group and talk of something else. If an article concerning it appeared in your newspaper, you'd flip the page; if a speaker discussed it

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on the radio, you'd tune him out, or never tune him in in the first place because you wouldn't have been interested enough to read the notice about such a radio talk in the advance publicity which was sent you. In such a situation you may be susceptible, but you're also inattentive.

The size of the problem in reaching this susceptible but inattentive group, which is so large and decisive to your public relations success, is tremendous. It's a great challenge to the whole profession . . . if opinion research continues to confirm this picture of the susceptible voter . . . to devise ways and means to inform the person who doesn't want to be informed on a particular issue.

To Reach Effectively

This challenge wasn't met completely in the above successful campaign, but here are some observations taken from it which may be helpful to you. To reach the susceptible people effectively it would seem we must have:

1. Copy that is not dull, technical, or unattractive . . . material that does not require interest in the particular issue to be interesting in general.
2. Messages that carry a personal and direct implication to the reader or listener . . . things that concern him and his family and not the abstract issue, such as "America" or "Standard Oil".
3. Information that does a preliminary educational job and a final selling job all in one brief "call" or "impact". You may get only a single fleeting shot at the susceptible person somewhere and not reach him again, because he's usually trying to avoid you.

There are many objectives in a campaign besides reaching the susceptible voter and different media have different advantages for different objectives. But for the job of reaching the susceptible person in the general population, you'll probably have better luck with what might be called "accidental" media. These media catch the susceptible person accidentally, and he doesn't have to choose purposely to see or hear your message. For instance, spot radio station breaks are probably more useful than half-hour radio speeches. In particular, personal contacts and the stimulation of personal and social discussions of the issue within the family or the club or at odd places can catch the susceptible voter who has ignored all of the mass media communications on the subject. As Dr. Paul Lazarsfeld has said on this subject: "In the last analysis, more than anything else people can move people".

New Tools Needed

The real pioneering work on getting information to the uninformed is still to be done. We have powerful devices and long public relations experience in the art of getting information to people who are interested enough to read or listen to it. As some of these studies of campaigns and mass communications become more widely known to public relations men, we can expect new imagination and new skills to be brought to bear on the greater problem of reaching uninformed, inattentive people. As these problems become known and explored and solved, public relations men will be able to count on a new tool to help them . . . the public opinion survey.

*"Tis education forms the common mind,
Just as the twig is bent the tree's inclined."*

—ALEXANDER POPE

LAW, LOGIC, REASON AND "FREE RIDERS"

By JNO. M. CANNON

President, Jno. M. Cannon Associates, Inc., Detroit

MOST FREQUENTLY ADVANCED as an excuse for the compulsory union membership plans is the argument that those individual workers who do not belong to the union get what is termed a "free ride". In other words, those who do not pay tribute to organized labor receive all of the benefits in wage increases and working conditions brought about through the union, but do not contribute to the costs incurred in gaining these worker advantages.

This "free ride" claim on the part of unions is undoubtedly true. Certainly an industry could not give a wage increase or other benefit to just union workers in a certain classification of employment and fail or refuse to give the non-union workers, in exactly the same classification, the same pay raise or benefit.

Notwithstanding the validity of this claim, however, the question inevitably arises as to whether or not labor unions are entitled to special protection in this respect, when such protection is not accorded to other organizations and enterprises. Public relations men, as well as legislators and the courts, will have a part in providing the answer. Whatever the answer might be, in terms of labor legislation or court decisions, it will be public relations men who will have to make the explanations and adjustments.

Examining the question in the light of reason and logic, it would seem that labor unions are no more entitled to special protection in this area than any other type of organization or enterprise.

It is fundamental, but aside from our point here, that any policy which would require an individual citizen to belong to a certain organization in order to hold a particular job, or any job for

that matter, would not be compatible with the principles of individual freedom embodied in the Constitution of the United States. Labor unions hold no official status in the government any more than do churches, fraternal orders, or civic clubs. These organizations cannot enforce membership, nor would they want to if they could.

We must accept the premise that a labor union is a private organization, just as a church, lodge, or civic club. Each individual can decide, in his own mind, whether or not he elects to become a member of and pay dues to a private organization. The labor union is not a branch of government. The government had nothing, theoretically, to do with its conception and does not control its operation. It operates by means of dues collected from its membership and through officers elected by those members. It should, therefore, be the same kind of legal entity as a trade association, professional society or other organization in which people have banded together for a common cause or to promote common interests. We must then accept the premise that no private organization can exercise such prerogatives of government as levying and collecting a compulsory tax or assessment, or issuing directives which are binding and mandatory on any individual, corporation, or enterprise. No private organization has the right to deprive, or attempt to deprive, an individual of the liberties and freedoms guaranteed him under the laws of the land, or to alter or abridge these liberties and freedoms. Legally, all private organizations should be viewed in exactly the same light and all should have equal rights, equal pro-

tection, equal restrictions and equal advantages, under the law or in equity.

It would seem that this is as far as we should have to go in our reasoning to establish, without question, that a labor union has no rightful or logical claim to any setup or system which would, in effect, provide for it compulsory or forced membership and, hence, make it possible for it to compel unwilling persons to pay dues.

There is plenty of precedence for a condition under which individuals and organizations are able to take a "free ride" at the expense of those who are willing to pay the bill.

A Case

Take for example our own Public Relations Society of America. Suppose that we and our organization, through our efforts and the funds expended, are able to raise the general professional status of public relations and thereby increase, indirectly, the salaries and fees public relations practitioners are able to earn. It would certainly follow that all public relations people who did not belong to PRSA, and did not pay dues, would reap all or some of the benefits, just as would PRSA members. It would be utter folly, however, for us to claim that it should be compulsory for all who benefited, directly or indirectly, to either belong to PRSA or be forced to pay tribute to the organization.

Many of us who came into public relations by the route of newspapers will remember how the advertising solicitors grumbled constantly about the non-advertisers who always took a "free ride" at the expense of the advertisers. The department stores would cooperate to put on a week of "dollar days" or an "annual white sale" or other promotional event. Housewives and buyers would come out in droves to purchase the specials. Invariably, smart chain

store operators would have locations in the immediate vicinity of the department stores and other large advertisers, where shopping traffic is heaviest. Instead of advertising in the newspapers and over the radio, these smart operators dressed attractive windows and featured what appeared to be low prices. When the advertisers attracted the buyers to the shopping district, by means of pages of paid copy and thousands of dollars worth of radio time and spot announcements, plus other forms of publicity including direct mail and billboards, the smart non-advertisers pulled a good portion of the business into their shops with luring windows and low prices. These chain organizations usually contributed nothing to either the newspapers or the community.

Fortunately, all of the chain stores are not in this category.

"Free Riders"?

Isn't this, though, as the advertising solicitors say, a "free ride" for the non-advertisers? Aren't these firms taking an unfair advantage of both the advertisers and the newspapers? But what can the newspapers and the advertisers do about it? Nothing. Each business firm has a right to decide whether or not it will advertise and how much. Newspapers, while they do not feel kindly toward these non-advertisers, do not aim editorial comment at them. If the newspapers had the same attitudes as labor unions, they would scream to the high heavens in 60 point headlines about the "free riders".

Most of us have had experiences with trade associations which have effected programs of great benefit to an entire industry. In almost every instance of this kind, there are several organizations which are not members and contribute nothing to the association, but which benefit most from the program.

There isn't anything we can do about people and organizations that elect to conduct their business in this manner. We might get a little satisfaction in saying to ourselves and our friends that the managements of these concerns lack social consciousness or a sense of industry (or civic) responsibility. This doesn't, however, force them to belong to the association or contribute to its work. It doesn't eliminate the "free ride".

Right at this moment, engineers and scientists are working on standardization in many areas of industry and standard activities are being carried on by engineering groups and professional societies in hundreds of localities. Some industries contribute to this work and others do not. It is certain, though, that some of the companies destined to reap the largest benefits have contributed very little and, in many cases, nothing at all.

And so it goes through business, yes, through life. All of us could cite scores of cases of "free riders" in every conceivable kind of enterprise. It is safe to say that none of us has a fondness for these situations. It is just as safe to say, however, that no fair-minded person would want to impose on other individuals anything that would interfere with their rights to conduct their businesses as their own minds dictate. We

might not agree with them, but we would defend their rights to operate their enterprises in traditional freedom.

If labor unions have been endowed with some special rights and privileges to protect themselves against "free riders", as opposed to the rights and privileges of other organizations and enterprises, then some eminent philosopher from their ranks should come forward with a theory to justify and support such prerogatives. It must be presumed, of course, that the theory would be required to stand the tests of reason, logic, and the Constitution of the United States.

If the theory could not stand these tests, and yet the unions are able to enforce closed shops, union shops, and other devices to make membership in the unions compulsory on workers, then it would seem to establish a precedent which could easily be carried over into other fields and other enterprises.

As an alternate policy and approach for the unions, it would seem that if they would concentrate on proving to their memberships, and the public at large, that unions do produce benefits for all of the people and that they function in the public interest, they would not have to worry about enforcing membership.

The Only Way

(Continued from Page 9)

if business wants to be understood and properly evaluated, it must go to the people directly — each business to its own people. Once that is done, and once the proper local understanding is built all over the nation, the cumulative effect will be such that business need fear no attacks. Political pressure groups and political parties in the last analysis ad-

vocate what the public wants, and oppose what the public does not want. If it is plain to all that business and the public want the same thing, the problem is solved.

And there is no other way to solve it. It is not a job that business can hire someone to do for it. It is a job which we of business must do for ourselves.

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A FACTOR IN EMPLOYEE RELATIONS

BY WILLIAM R. HARSHE

William R. Harshe Associates, Inc., Chicago

A PROMOTIONAL DEVICE which has been widely used in connection with the U. S. Savings Bond "Opportunity" Drive payroll savings program has wide application throughout industry in meeting a major employee relations problem.

This is the use, as an educational medium, of the paycheck stub retained by the employee.

In the Savings Bond drive, employers have used the check stub to emphasize the investment values in Series E bonds, through special typographical treatment of the bond deduction panel of the stub, with, for instance, heavy red arrows carrying the message: "*Every 75c Saved Is \$1.00 Earned*", and "*Buy Savings Bonds! Make Your Dollars Grow!*"

Employee surveys have shown that this approach to Savings Bond sales promotion has been most effective, that the cumulative effect of such messages from management reaching the employee week after week, highlighted in the reading matter which vitally concerns him — the figures on his paycheck stub — has been to increase substantially the sale of bonds.

This success has suggested another use for the same idea. I refer to the problem of proper explanation of the deductions usually listed — in ever-increasing numbers — on these paycheck stubs and the resultant tendency of employees to measure the worth of their jobs in terms of net pay or "take-home", rather than in terms of gross earnings.

Ever since the advent of Social Security a dozen years ago, deductions from wages have been increasing. Almost all such deductions are either mandatory by law or are for a most worth-

while purpose — group insurance, Community Fund, Blue Cross plan, Red Cross, safety shoes, and the like.

Although it is perfectly true that these, in the aggregate, represent money which the employee does not have available for spending at the moment, it is obviously erroneous and unfair to the employer for the employee to automatically lump all of them together as "deductions" and reduce earnings, in his thinking, to the "take-home" amount.

And, other surveys have shown, this is precisely what many employees do, regardless of the fact that gross earnings and net amount of the check are properly designated. Often, the employee does not even realize clearly that his employer has, in fact, paid out the employee's gross earnings.

Let's assume some of the customary deductions to see just what they represent. Savings Bonds, to start with, are not a true deduction at all. They constitute an interest-bearing crock into which the employee may dip at any time he elects. Here is a truly beneficial program which has helped the wage earners of our country to better secure their financial futures. Even more important, the employee himself has elected to participate.

Participation in group insurance programs, again, is at the option of the employee. Moreover, the employer almost invariably contributes a like amount — or more — to make up the premium. Here is another investment of earnings by the employee, for the future security of himself and his family.

Blue Cross plans are another investment in security, elected by the employee himself.

In a somewhat different classification are withholding tax and FOAB deductions, but although these are mandatory by law, they represent amounts paid out by the employer and remitted to the government in a tax-collecting job of considerable magnitude.

One way to emphasize these facts to employees is to abandon the label "deductions" entirely for these panels on the check stub. Far more accurately, they should be labeled, "*We paid out the above amounts for you*" or "*Earnings applied to your accounts*".

At the same time, the gross earnings should be strikingly designated as such, through use of unusual typography, contrasting colors, arrows, or other device, so that it is clear to the employee that the employer actually disbursed the total earnings.

A number of employers, including some of the largest in the country, already have taken the lead in this important program of influencing employee opinion. Many others are following. As I have noted, the idea captured the imagination of U. S. Treasury Department officials to such an extent that they recommend it in connection with the Sav-

ings Bond "Opportunity" Drive. Here is what Vernon L. Clark, assistant to Treasury Secretary John W. Snyder, had to say to one employer in connection with special bond promotions on pay-check stubs — and his words are fully as applicable to use of the medium in employee relations:

"There has just been called to my attention, the remarkable manner in which the 'Statement of Earnings' you issue to your employees treats the delicate problem of deductions from employees' pay.

"The excellent manner in which you point out to your workers the Gross Pay factor on the 'Statement of Earnings' which accompanies each pay check is most exemplary. The wisdom of using 'Earnings Applied To Your Accounts' instead of 'Deductions' certainly makes for a better understanding and better employee relations. 'Earnings Applied To Your Accounts' is so apt and expressive in bringing home to the employee the important knowledge that these earnings are his own and are used for his benefit when applied to his accounts.

"Of paramount interest to us is your most intelligent treatment of the Savings Bond phase. Highlighting the 'Money

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YOU EARNED AND THE TODD CO. INC. PAID					EVERY 75¢ SAVED IS \$1.25 EARNED BUY SAVINGS BONDS! MAKE YOUR DOLLARS GROW!	WE PAID OUT THE ABOVE AMOUNTS FOR YOU!						
<div style="text-align: right;">Nº 12345</div>												
<div style="text-align: center;"> THE TODD COMPANY Nº 12345 INSURED CHECKS FOR ALL PAYROLL SYSTEMS ROCHESTER, N.Y. THE TODD CO. INC. \$39 AND 63 CTS </div>												
<div style="display: flex; justify-content: space-between;"> <div> PAY TO THE ORDER OF ** MARY L. JOYCE ** SAMPLE NOT VALID </div> <div> SAMPLE - DO NOT CASH SAMPLE - DO NOT CASH </div> </div>												

That Grows' theme is excellent promotion.

"It is of the utmost importance to the welfare of our country, each company and every employee, for every employer to install the Payroll Savings Plan for Savings Bonds and urge their employees to participate in it. Automatic saving on this partial payment plan works wonders for all concerned.

"You have our deep thanks for the very good manner in which these ideas are brought home to your employees and the 'Statement of Earnings' which they receive with each pay check."

Beauty of the idea lies in the fact that it can be adapted to the individual needs and desires of the employer. There is no stereotyped formula. Employers who wish, for instance, to emphasize the role they play in their group insurance program may wish to use a red arrow pointing to the amount deducted for the employee's share of the premium, with copy saying, "*Your Company Pays 1/2 of the Premium*", or "*Your Company Matches This Amount*".

There are many similar uses of check stubs for management messages to employees. If industrial accidents are a problem, a continuing safety campaign can be carried on in this way.

The idea was originally developed and used by The Todd Company of Rochester, N. Y., which found these various uses of material beneficial in winning friends and influencing people among its employees. As a result of many conferences with employer-customers on their payroll problems, I. L. Greene, assistant general sales manager, says:

"Any employer is doing himself, his business, his employees and their important self-esteem incalculable damage by not pointing out that he pays employees their gross earnings and not just the residue — that not his were the decisions which result in a channeling of employee monies elsewhere than into net pay. Moreover, he is needlessly assuming the role of Indian-giver by labeling the amounts paid out for and in behalf of employees — their earnings applied to their accounts—as "deductions".

POSTINGS

THE By-laws of the Society require that applications for membership be posted at least 30 days before they are submitted to the Board of Directors or to the Executive Committee for approval. Active members desiring to comment on the following applicants should write the Eligibility Committee, Public Relations Society of America, Inc., 525 Lexington Avenue, New York 17, New York.

ACTIVE MEMBERSHIP

DAHLEM, KARL—Regional Director of Public Relations for New England, American Airlines, Inc., Boston, Mass. Sponsors: Charles E. Downing and Weston B. Haskell.

THE WEATHERVANE

By
GEORGE DICKSON SKINNER

A PROBLEM OF POLICY

WHAT PERSONAL USE ought a member to make of his PRSA membership? The problem is raised by acts like these:

1. The membership list is being used as a mailing list to receive material designed to develop business, directly or indirectly, for the members who send it out.

2. The membership list is being used as a mailing list to receive material in promotion of the causes of clients of the members who send it out.

3. The membership list is being used by members in direct solicitation of business for themselves. (I have no personal knowledge of such use, but it is reported from sources which I trust.)

The problem is one of policy — not, as yet, of morality. When we have an accepted code of ethics, it will become a matter of good conduct for the members to live up to the code. So far we have no code, but we do have a committee drafting one. The committee would like to know what the members think about this question.

In the interests of the public relations profession — in the interests of the individual practitioners in general, of the service which the Public Relations Society of America has to perform for the profession and of the service which the profession has to perform for the public — what ought the rules to be?

The Members

These articles have already voiced the idea that a major service of the PRSA is to give the stamp of accepted profes-

sional standing to the members. They have also expressed the opinion that solicitation of new business is desirable. Accepting those points of view, can you find anything to criticize in the practices named?

Perhaps you can. It seems to me that the question turns partly on what you mean by "professional standing." Does it include the idea that you can trade on the reputations of other men? I think not. That practice violates fundamental principles of right and wrong which do not need to be codified. It is one thing that an individual should gain professional recognition for himself by the fact of membership in PRSA. It is a very different thing that he should use the professional reputation of other members to build his own business.

But the question is not so simple as that. What about the use of the membership list to promote the objectives of clients?

That is a tough one. If the PRSA is what we all hope it is, then it is a very good list of public opinion leaders. Practitioners often put out material addressed to such lists which many members of the Society would like to see — which they would sometimes find useful. But material is also addressed to such lists which has nothing but nuisance value — material, mostly, that is solicitation of some sort.

It is easy enough to say, "All you have to do is use the wastebasket." Even the wastebasket takes precious time. It is equally easy to say, "I didn't join the

Society just to put my name on another mailing list." And that is already being said.

Can you suggest how to frame a rule that will serve the interests of all the members?

The Profession

Despite some signs to the contrary, I think most members believe that the major purpose of the PRSA should be to establish public relations on a professional basis. That purpose casts its own light on the question of the proper use of the membership list.

In any profession, the directory of members is a useful tool for each member. It gives him, for example, the names of practitioners on whom he can call with some confidence when he needs assistance in a distant area. It gives him some information about men with whom his work brings him in contact. Such uses of the membership list grow naturally out of the professional ideal.

The distinguishing mark of a profession is that its practitioners give advice on the basis of specialized knowledge and skill. The occupations most generally recognized as professions are licensed by government bodies. To get a license, the practitioner must meet certain standards. Membership in the professional organization means that he meets at least those minimum standards.

The license is required because it is recognized that the public welfare demands a certain degree of competence as well as integrity in people who take money for giving advice on the health, property or behavior of other people. As yet, there is no serious suggestion that the practice of public relations should be made subject to government license. It ought to be the work of the PRSA to perform for public relations

the function that government licensing performs for medicine and law.

The uses which the Society permits to be made of its lists will have a good deal to do with its success in doing that work.

In the eyes of the public, the attitude of the Society toward its membership will determine whether the PRSA is placed among professional bodies or among trade associations. In the eyes of members and prospective members, it will determine whether membership helps them in their own work and associates them in a program to raise the level of public relations service in general or whether it merely offers other practitioners a ride on their coattails and adds their names to another sucker list.

The Public

The use of the list affects the public indirectly but really. If the PRSA is to accomplish its objectives, the public interest must be the major consideration. Otherwise, no promotion of public relations work will be valid or even superficially convincing.

To realize the possibilities of this field of ours, we've got to establish the idea that our work is charged with a public interest and that we accept the responsibility of acting for the public welfare. The PRSA is the instrument we have created for that purpose. Any use of the list should further it. Any use which a member is permitted to make of the fact that he is a member should be a use which will help the Society to fill its place in the national life.

The public is served by whatever strengthens the Society as a professional body, whatever attracts and holds the highest type of membership.

A rule regarding the list needs to be drawn to meet these objectives.

Public Relations' Interest in Proposed Lobby Inquiry By Congress

(Continued from Page 20)

have a total of 176,333 branches and affiliated groups throughout the nation, and that 600 such organizations have taken stands on one or more of 383 specific issues from "academic freedom" to "wool tariff", the extent of the "nervous system" energizing our country's independent voters becomes impressive.

* * *

The further government moves into the field traditionally reserved to private enterprise, the more important it becomes for business to review its rela-

tions both directly with government and with the forces within the body politic, which influence the determination of public policies, programs and personnel. The forthcoming Congressional investigation of lobbying will presumably be so broad that it will pretty well cover the whole field. The attitude of public relations counselors must be equally broad in examining such information as is developed and in evaluating the public and legislative reactions to that information.

Wanted: 1945, 1946 Issues of the Journal

Society members or *Journal* subscribers who have available extra copies of the November 1945 and August 1946 issues of *The Public Relations Journal* are urged to communicate with Headquarters. A number of members need these issues to complete their files.

"Tyranny is not easily conquered, yet we have this consolation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheaply, we esteem too lightly; it is dearness only that gives everything its value . . . and it would be strange if so celestial an article as freedom should not be highly rated."

—THOMAS PAINE

Movies Tell Your Story

By CARL E. TOTTEN

Public Relations Department, Shell Oil Co., Inc., San Francisco

MY COMPANY believes implicitly in the value of sponsored films. Today, sponsored films, or industrial films, cannot be compared with the productions of Hollywood but nevertheless their effect is of incalculable importance, particularly in the field of education. They don't draw the crowds that major entertainment films do but they still reach audiences of many millions.

Although sponsored films are not new, it was not until World War II that industrial concerns came to a full realization of their importance. During the war, many companies which had never before ventured into the motion picture field were so impressed by the Armed Forces' successful use of them in educational and training programs that they too launched extensive film schedules. That trend seems to be continuing.

The reason is easy to find. Tests conducted by both the Armed Forces and educators have proved conclusively that students master a subject more quickly and retain it longer if they are taught by motion pictures rather than by the written or spoken word.

Today, industry uses films in direct selling, in sales training, and in many types of plant training. Films on safety practices and on the operation of various types of machinery are examples of the latter. Some films give retailers suggestions on how to improve their store layouts and merchandising methods. Others feature various civic causes with which a company has identified itself. These few examples show how flexible a medium the motion picture is and how important it has become in industrial operations.

One of the biggest fields involved is the production of films for use in the nation's schools. Industry has found that schools everywhere want films. They enable teachers to cover many subjects more thoroughly and in less time than any other method, and because schools cannot afford to buy films, they need industry's help in producing them.

This situation calls for unselfishness on the part of industry. Schools, of course, cannot show films that feature blatant advertising or that endorse touchy economic or political philosophies. On the other hand, no company can afford to produce pictures not identified with it in some way. A company has the right to expect that a film will create a certain amount of goodwill. The answer seems to lie in films that fill definite needs in the school curriculum but that contain a minimum of advertising and keep that minimum honest and in good taste.

Educational groups carefully preview all films offered for school use. Their standards are high, and justly so. The entertainment value of the film is subordinated to its educational merit. The teacher is concerned primarily with fitting the films into a study course. Running time is also a factor, with a preference of from 20 to 30 minutes.

Industrial films are not produced without headaches. To make a basically informative film with a high entertainment value is a difficult assignment. The photographic action and the commentary must be checked repeatedly for accuracy and possible ambiguity. Again, the subject matter or the narration may contain material which positively dates

the production, shortening the life of the prints. References to important events, the showing of clothing styles or automobile models, are examples of this danger.

Costs

On the subject of costs, it is interesting to note that the average 20-minute, sound, color film costs between \$20,000 and \$30,000, with some budgets going as high as \$150,000, and this is merely the initial cost. Color prints run about \$100 apiece and promotional material and distribution add thousands of dollars more to the over-all cost. These costs must be amortized over the life of the film, then the cost per spectator can be computed from a careful record of the total number of showings and the gross audience total.

Although Shell has produced motion pictures for years, the company really embarked upon a large-scale program following World War II. We had discovered through a public opinion survey that the less people knew about the oil industry, the less they liked it, and, conversely, the more they knew about it, the more they liked it. Consequently, we wanted to acquaint people with the industry. And the basic purpose of our motion picture program is as simple as that — to acquaint people with the petroleum industry.

We think it is a healthy thing for the country to review the story of any typical American industry, to realize how it has developed under our economic system, and how in so doing it has made substantial contributions to American progress, to the comfort, health, and happiness of 140,000,000 people. But it is desirable that this be achieved by inference rather than preaching.

To do this job, Shell has planned a whole series of films, each of which covers a different phase of oil industry

operation. The first picture, "Prospecting for Petroleum," deals with exploration, showing how the industry locates reserves of petroleum underground. The second picture, "Birth of an Oil Field," describes the drilling and production of petroleum. It shows how to drill for oil and get it out of the ground. Both of these films are being shown in schools and clubs throughout the country.

The third film in the series, "Refining Oil for Energy," which tells how crude oil is manufactured into more than one thousand different products, is almost ready for release, and the fourth and fifth films will deal with transportation and distribution of petroleum products. When the series is completed, it will constitute a complete motion picture record of petroleum industry operations from start to finish.

New Technique

All films are in color and utilize a new technique in industrial film making — a combination of live action and three-dimensional animation photography. This makes it possible to illustrate technical aspects of each subject which otherwise could not be presented, such as showing the problems encountered in drilling thousands of feet deep and the flow of oil inside the massive furnaces and towering columns of a refinery. Aside from the Shell trademark at the beginning and at the end of each film, there is no commercialism in any of these pictures.

"Prospecting for Petroleum" has already been shown some 8,000 times to more than a million people. It has been seen by members of Rotary, Kiwanis and Lions clubs, students, P.T.A. and church groups. Universities and high schools are using it in their classrooms.

When "Birth of an Oil Field," second film in the series, was ready for release, several thousand mailing pieces were

distributed to schools and clubs. Within 6 weeks, a 20 per cent return had been received on the mailing. Seven to 9 per cent is considered a normal return. Although we should like to think that such results are attributable to the excellence of Shell films and to the promotion campaigns conducted for them, it is probably nearer the truth to recognize that such results grow out of the great need in schools and colleges for quality films with solid educational content.

In addition to this new series, we have many other motion pictures in our libraries that receive wide circulation. They range in subject matter from an unusual treatment of the traffic safety

problem to a review of progress in airplane design from the time of the Wright brothers up to the present. Three films on elementary physics have proven to be extremely popular in educational fields.

We show these films to millions of people each year and we handle distribution ourselves through film libraries in New York, San Francisco, Houston, and Chicago, and through sub-libraries in various Shell payroll centers throughout the country. Our films are available free of charge to all groups or organizations equipped with 16mm. sound projectors.

PR Job No. 1

(Continued from Page 3)

ment brings together all the elements necessary to produce the goods and services we need; the elements of capital, plan, ideas, design, research, organization and administration. It is also a system whereby management using all these elements, creates jobs for nearly 50,000,000 of us who are not self-employed; creates jobs by selling the products of our work to customers whom we have never seen. It is a system in which management combines my work with that of a thousand others, to make a final product which some customer can buy and use.

If this is a fundamental definition of our American system, it is easy to go on with the demonstration of why this system is worth preserving, if it continues to work as well as it has in the past. If it does not work, can we expect to preserve it, or expect to prove that it is worth preserving?

If it does not provide enough goods and services, and if it does not provide enough jobs, it does not work. But if that proves to be the case, heaven help us; because no other system in the world has ever come close to providing enough goods and services, and enough jobs.

Realism in Public Relations

(Continued from Page 17)

portunity ahead of us. And, if we are wise and enterprising, we will provide the leadership necessary to make the most of it. And we can do it with widespread public backing. We have the chance to build a really democratic

capitalism — one which will satisfy not only our people's material wants, but their spiritual needs as well. We can assume a leadership which will save freedom and human dignity, for the nation and for the world.

Welcome to New Members

The Executive Committee of the Public Relations Society of America, Inc., meeting in official session, unanimously elected to membership in the Society the following individuals:

ELECTED TO ACTIVE MEMBERSHIP

- Arnett, Keeton**—Vice President, Fred Eldean Organization, Inc., New York City.
- Giddings, Edwin Cleveland**—Vice President, Capital Transit Company, Washington, D. C.
- Harral, Stewart**—Director of Public Relations, University of Oklahoma. Norman, Okla.
- Mader, Joseph H.**—District Representative, Fred Eldean, Organization, Inc., Philadelphia, Pa.
- McManus, William J.**—Vice President in Charge of Public Relations, Chesapeake and Potomac Telephone Companies, Washington, D. C.
- Noyes, Charles Edmund**—Director of Public Information, American Institute of Accountants, New York City.
- Pace, Samuel C.**—Assistant to President, Public Relations, St. Louis-San Francisco Railway Co., St. Louis, Mo.
- Parkes, Holcombe**—Vice President, Public Relations, National Association of Manufacturers, New York City.
- Ryan, Maurice O.**—Washington Representative, American Hotel Association, Washington, D. C.
- Sherman, Val C.**—Director of Information, National Co-operative Milk Producers' Federation, Washington, D. C.
- West, Oscar H.**—Oscar H. West Associates, Washington, D. C.
- Zalken, William**—Public Relations Counsel, St. Louis, Mo.

ELECTED TO ASSOCIATE MEMBERSHIP

- Allerton, Rufus K., Jr.**—Public Relations Assistant, Underwood Corporation, New York City.
- Boyd, Donald William, Jr.**—Director of Public Relations, Clarkson College of Technology, Potsdam, N. Y.
- Gould, John A. (Jack)**—Partner, Gould, Blieden & Manley, Public Relations Counsel, Baton Rouge, La.
- Snyder, Carl Winfred**—Public Relations Director, Hawthorne-Mellody Farms Dairy, Chicago, Ill.

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